2014 Investor Presentation

7th August 2014

Tarek Robbiati

Chief Executive Officer

David Stevens

Chief Financial Officer

FLEXIGROUP

Disclaimer

Important Notice

No recommendation, offer, invitation or advice

This presentation is not a financial product or investment advice or recommendation, offer or invitation by any person or to any person to sell or purchase securities in FlexiGroup Limited (“**FlexiGroup**”) in any jurisdiction. This presentation contains general information only and does not take into account the investment objectives, financial situation and particular needs of individual investors. Investors should make their own independent assessment of the information in this presentation and obtain their own independent advice from a qualified financial adviser having regard to their objectives, financial situation and needs before taking any action. This presentation should be read in conjunction with FlexiGroup’s other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange.

Exclusion of representations or warranties

No representation or warranty, express or implied, is made as to the accuracy, completeness, reliability or adequacy of any statements, estimates, opinions or other information, or the reasonableness of any assumption or other statement, contained in this presentation. Nor is any representation or warranty, express or implied, given as to the accuracy, completeness, likelihood of achievement or reasonableness of any forecasts, prospective statements or returns contained in this presentation. Such forecasts, prospective statements or returns are by their nature subject to significant uncertainties and contingencies many of which are outside the control of FlexiGroup. Any such forecast, prospective statement or return has been based on current expectations about future events and is subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations described. To the maximum extent permitted by law, FlexiGroup and its related bodies corporate, directors, officers, employees, advisers and agents disclaim all liability and responsibility (including without limitation any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, this presentation.

Jurisdiction

The distribution of this presentation including in jurisdictions outside Australia, may be restricted by law. Any person who receives this presentation must seek advice on and observe any such restrictions.

Nothing in this presentation constitutes an offer or invitation to issue or sell, or a recommendation to subscribe for or acquire securities in any jurisdiction where it is unlawful to do so. The securities of FlexiGroup have not been, and will not, be registered under the US Securities Act of 1933 (as amended) (“**Securities Act**”), or the securities laws of any state of the United States. Neither this presentation nor any copy hereof may be transmitted in the United States or distributed, directly or indirectly, in the United States or to any US person including (1) any US resident, (2) any partnership or corporation or other entity organised or incorporated under the laws of the United States or any state thereof, (3) any trust of which any trustee is a US person, or (4) any agency or branch of a foreign entity located in the United States. No securities may be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act and any other applicable securities laws or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.

Investment Risk

An investment in FlexiGroup securities is subject to investment and other known and unknown risks, some of which are beyond the control of FlexiGroup. FlexiGroup does not guarantee any particular rate of return or the performance of FlexiGroup securities.

Agenda

- Highlights and Overview – Chief Executive Officer
- 2014 Results Analysis – Chief Financial Officer
- Strategy and Outlook – Chief Executive Officer

Highlights and Overview

Tarek Robbiati
Chief Executive Officer

FXL Highlights

19% volume growth and 13% receivables growth delivers Cash NPAT of $85m (+18% pcp)

Strategy

- Business integration and customer centricity to deliver strong earnings momentum in the next few years

Financial Result

	FY13	FY14		FY14/FY13
Cash NPAT	$72.1m	$85.0m	↑	18%
Statutory NPAT [1]	$65.9m	$57.6m	↓	(13%)
Volume	$907m	$1,083m	↑	19%
Closing Receivables	$1,163m	$1,318m	↑	13%
Annual Dividend (fully franked)	14.5c	16.5c	↑	14%
Cash Earnings Per Share	25.1c	28.0c	↑	12%

1. Statutory NPAT impacted in FY14 predominantly by one off non-cash adjustments. Refer Appendix A for more detail

Key Take - Away Points

- Significant transformation of profit pool with $15.7m of Cash NPAT added in-year by new business lines
  - More than $1bn in volumes achieved for the first time, Certegy is now the largest business line of FlexiGroup
- New investment program aligned with the strategy is already creating synergies across the business
  - Cards integration nearing completion, RentSmart integration completed 12 months ahead of schedule
- FXL is now ideally positioned to capitalise on the digital finance opportunity

Guidance

- FY15 Cash NPAT guidance of $90m-$91m (with 1H/2H split expected to be broadly in line with historical results)
- Dividends expected to remain within the 50-60% of Cash NPAT payout range

In FY14 FXL has transformed the mix of its profit pool and delivered strong volumes and receivables momentum across all areas

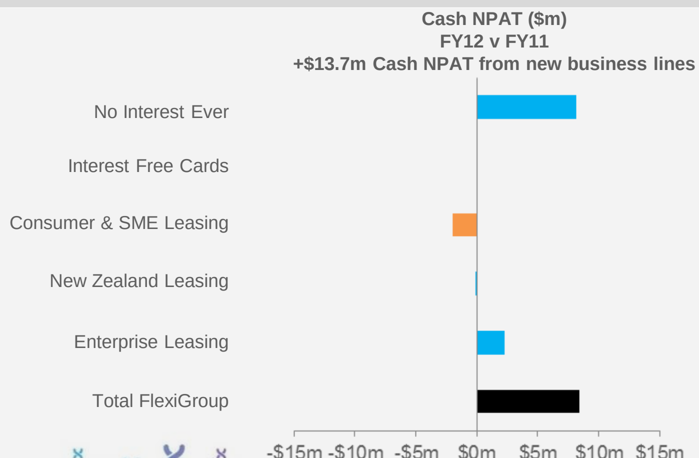
Double digit volume and receivables growth with continued momentum across all segments in FY14

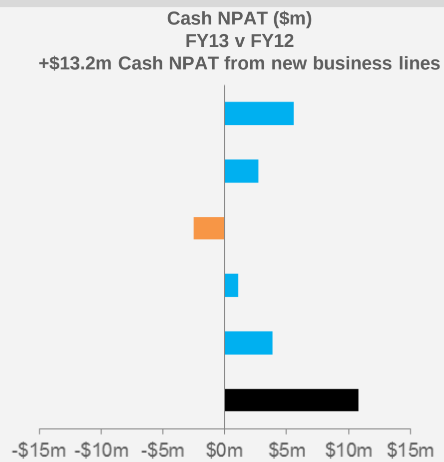
	Volume			Closing Receivables			Cash NPAT [1]			Cash NPAT / ANR %		
	FY13	FY14	FY14/ FY13	FY13	FY14	FY14/ FY13	FY13	FY14	FY14/ FY13	FY13	FY14	FY14/ FY13
No Interest Ever	$490m	$507m ↑	3%	$422m	$453m ↑	7%	$27.5m	$32.3m ↑	17%	7.1%	7.4% ↑	0.3%
Interest Free Cards	$88m	$200m ↑	127%	$186m	$210m ↑	13%	$2.7m	$11.0m ↑	307%	3.7%	5.6% ↑	1.9%
Consumer & SME Leasing	$187m	$189m ↑	1%	$306m	$326m ↑	7%	$28.8m	$26.0m ↓	(10%)	9.3%	8.2% ↓	(1.1%)
New Zealand Leasing	$29m	$38m ↑	31%	$52m	$66m ↑	27%	$4.3m	$5.6m ↑	30%	8.5%	9.5% ↑	1.0%
Enterprise Leasing	$113m	$149m ↑	32%	$197m	$263m ↑	34%	$8.8m	$10.1m ↑	15%	5.0%	4.4% ↓	(0.6%)
Total FlexiGroup	**$907m**	**$1,083m** ↑	**19%**	**$1,163m**	**$1,318m** ↑	**13%**	**$72.1m**	**$85.0m** ↑	**18%**	**7.2%**	**6.9%** ↓	**(0.3%)**

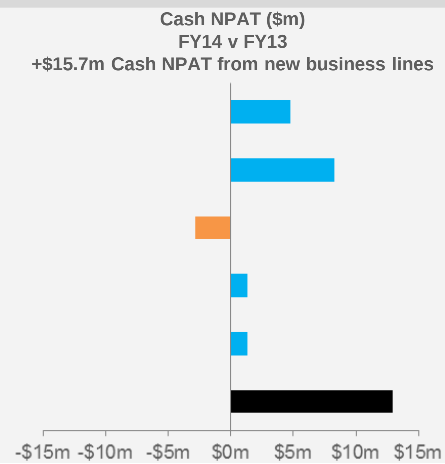
Growth & Future Earnings Potential — *Results* — *Returns*

Note
1 Cash NPAT adjustments are detailed in Appendix A

18% Cash NPAT growth delivered, +$15.7m of Cash NPAT from No Interest Ever, Cards, Enterprise and NZ







FLEXIGROUP

No Interest Ever (Certegy)

2H14 volume growth of 9% and scale efficiencies drive NPAT growth of 17%

Performance

- Cash NPAT up 17%, driven by growth in receivables and cost of funds benefits from well established securitisation program
- 2H14 volume growth of 9% pcp (vs. -2% pcp in 1H14) attributable to stable solar volumes and continued growth in repeat business from successful VIP loyalty program and increased direct consumer marketing activities in the year
- Solar volumes remain stable at $15m per month in a low government subsidy environment (substantial rebates removed in Dec-12)

Growth Outlook

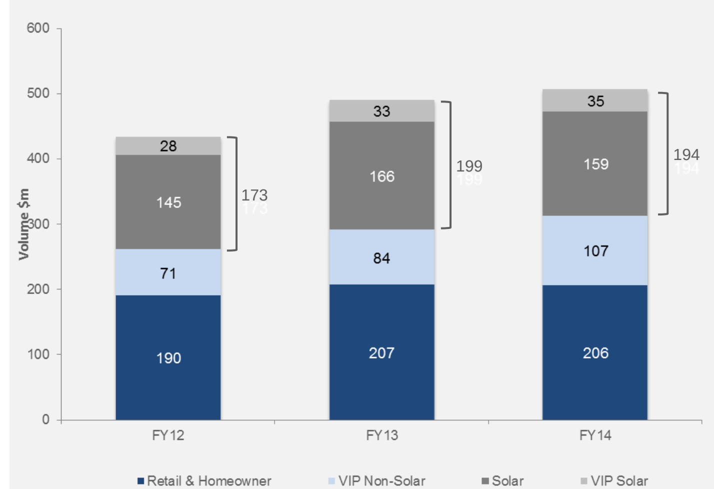
- Certegy launched new Ezi-Pay Edge product in New Zealand in July 2014
- Highly successful VIP and Repeat Business programs continue to grow fuelled by new initiatives
- Continued selective growth opportunities from new merchants and new solar technologies such as batteries / air-conditioning
- Increase penetration at current and existing merchants, with focus on growing retail and homeowner contribution
- Further focus on direct to consumer marketing, digital marketing and increased use of smart technologies to facilitate “search, click and collect” requirements
- New growth opportunities in rental bonds, travel and education in addition to further penetration in home improvement, health and aged care products

No interest ever payment processing primarily in homeowner sector

No Interest Ever (Certegy), $m	FY13	FY14	FY14/ FY13
Volume	$490m	$507m	3%
Closing Receivables	$422m	$453m	7%
Cash NPAT [1]	$27.5m	$32.3m	17%

Note:
1. Cash NPAT adjustments are detailed in Appendix A

Certegy Volume Mix ($m)



FLEXIGROUP

Interest Free Cards

Combined Lombard and Once business delivers $11m NPAT in first full year

Performance

- FY14 cash NPAT of $11m; up $8m (307%) on FY13
- Uplift in NPAT driven by realisation of significant integration synergies, 13% receivables growth and the result of increased customer acquisition activity and card spend
- 190bps uplift in Cash NPAT margin as a result of business scaling up
- Number of new applications up by 40% on FY13, contributing to 29% growth in customers across the combined business

Growth Outlook

- Lombard and Once integration nearing completion with deployment of a single originations platform for both brands. Back-end system integration to deliver further synergy benefits in FY15
- New card products with enhanced customer value propositions to be launched into the Once brand (to align with Lombard 180 Card)
- Increased focus on existing partner relationships including accelerated joint marketing programmes with key channel partners and potential expansion into other sectors
- Increased focus on portfolio optimisation including credit limit assignments, customer onboarding, card activation and customer retention
- Drive strategic marketing offers to target new customers and stimulate repeat spend and everyday card usage

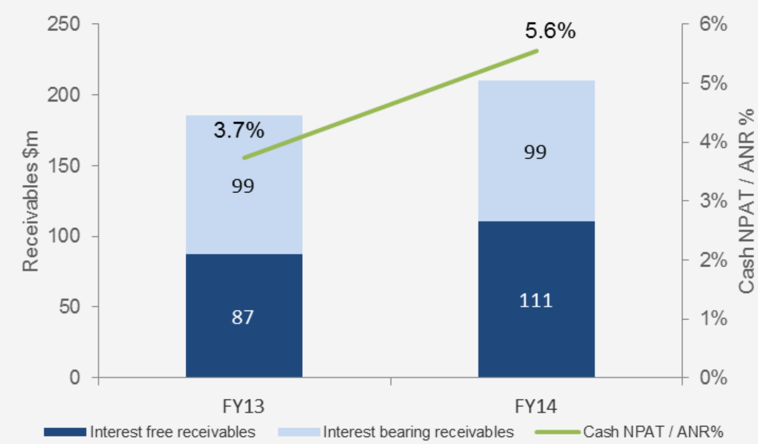
Interest free cards finance offered through retail point of sale

Interest Free Cards, $m	FY13	FY14	FY14 / FY13
Total Volume	$88m	$200m	127%
Interest free receivables	$87m	$111m	27%
Interest bearing receivables	$99m	$99m	0%
Closing Receivables	$186m	$210m	13%
Cash NPAT [1]	$2.7m	$11.0m	307%
Active customers	70,214	90,295	29%

Note

1. Cash NPAT adjustments are detailed in Appendix A

Cash NPAT & Receivables Growth



FLEXIGROUP

Consumer & SME Leasing
Declining Cash NPAT trend stabilised in FY14

Performance

- Cash NPAT decline slowed, positively impacted by mix shift from Consumer to SME
- Receivables up 7%, resulting from consolidation of RentSmart business in February 2014
- 1% aggregate volume growth, as a result of 18% volume growth in SME, now contributing 41% of the total Consumer & SME Leasing volume

Growth Outlook

Consumer

- RentSmart integration completed in June 2014 with significant cost take out
- Refreshed product offerings through SmartWay (JB Hi-Fi) and FlexiWay (Dick Smith) brands continue to drive volume uplift in FY15 and beyond
- Long-term agreement signed with Dick Smith Electronics for leasing

SME

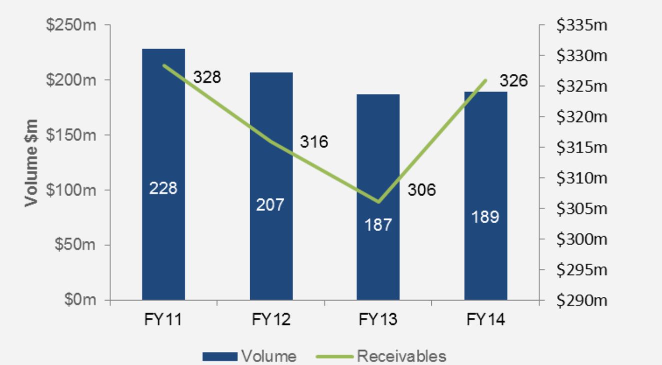
- Revised FlexiCommercial brand launched in 2H14
- Continue to build on strong customer value proposition through competitive product offering and real time solutions
- Planned growth through new dealer acquisitions across existing channels such as catering, beauty, fitness and identification of new asset class opportunities in the solar & digital media space

Leasing of IT, electronics and other assets plus Mobile Broadband & payment services

Consumer & SME Leasing, $m	FY13	FY14	FY14/ FY13
Consumer	$121m	$111m	(8%)
SME (Flexi Commercial)	$66m	$78m	18%
Volume [1]	$187m	$189m	1%
Consumer	n/a [2]	$192m	n/a
SME (Flexi Commercial)	n/a [2]	$134m	n/a
Closing Receivables [1]	$306m	$326m	7%
Cash NPAT [3]	$28.8m	$26.0m	(10%)

Notes
1. New Zealand volume and receivables reported separately from FY14. See Appendix E for reconciliation
2. Consumer & SME closing receivables disaggregated during FY14
3. Cash NPAT adjustments are detailed in Appendix A

Volume & Receivables growth



FLEXIGROUP

New Zealand Leasing
Strong volume growth drives 30% Cash NPAT growth (+17% in constant currency)

Performance

- Cash NPAT at $5.6m is up 30% on prior year driven by volume growth in both existing and new retail/vendor partners
- Growth in scale allows for improved fee income performance as leases reach maturity
- Receivables of $66m are up 27% and this growth is predominately in low risk SME sector
- Receivables are now diverse in nature with little concentration risk
- 90% of customers are business users and leasing products target SME customers in-line with NZ market opportunity
- Low impairment to ANR ratio demonstrates responsible credit focus and conservative approach to growth in an offshore market

Growth Outlook

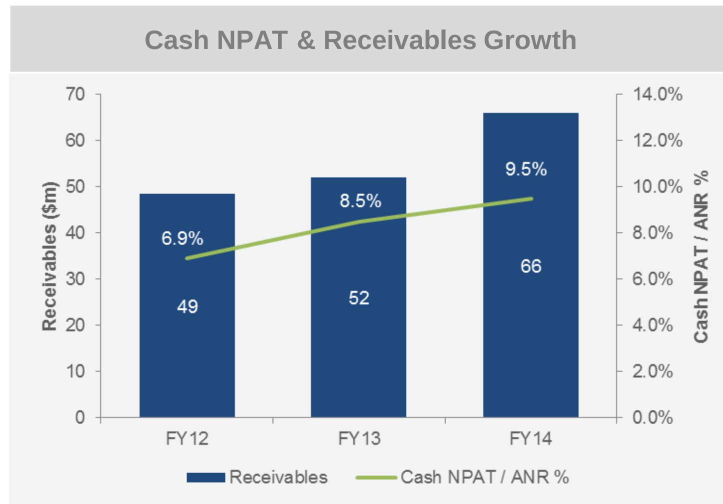
- Continued growth in SME expected from core leasing business in FY15
- Education sector (Equico product) sales volumes to show strong growth following acquisition in March 2014
- Provides solid platform for the transfer of other successful AU products into the NZ market
- Allows for further expansion and improved service of existing AU sales channels as key AU channel partners have untapped NZ operations

FLEXIRENT equico Funding Technology

Leasing of IT, electronics and other assets

New Zealand Leasing, $m	FY13	FY14	FY14/ FY13
Volume	$29m	$38m	31%
Closing Receivables	$52m	$66m	27%
Cash NPAT [1]	$4.3m	$5.6m	30%
Cash NPAT [2] (constant currency)	*$4.8m*	*$5.6m*	*17%*

Notes
1. Cash NPAT adjustments are detailed in Appendix A
2. FY13 converted at FY14 NZD:AUD exchange rate for comparison purposes
3. Refer to Appendix E for disaggregation of business segment reporting



FLEXIGROUP

Enterprise Leasing
FlexiEnterprise contributes $10.1m NPAT, an increase of 15% on FY13

Performance

- Cash NPAT at $10.1m, up 15% on pcp, driven by:
  - Receivables growth of 34% supported by volume growth and new distribution channels
  - TOT acquisition completed in March 2014
  - Ongoing focus on growing mid-large market segments (>$250k average deal size) has resulted in 32% volume growth and has also enhanced portfolio credit quality

Growth Outlook

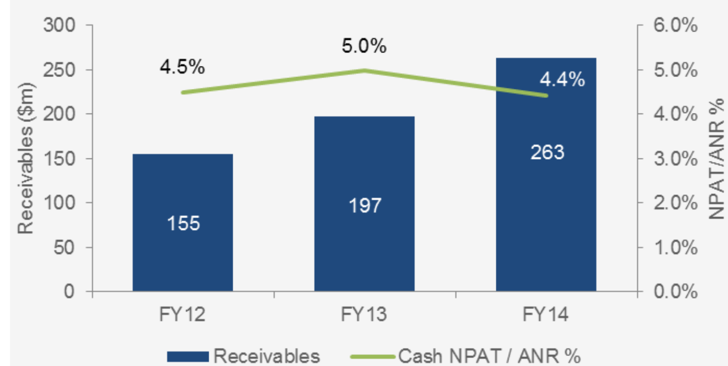
- FXL forecasts ongoing growth in Enterprise, resulting from:
  - Continued diversification and distribution growth with 179 vendor relationships at June 2014
  - Shifting from manual origination processes to digital originations and self-service will drive increased originations, faster approval speed and stronger partner relationships
  - New product innovations expected to result in an increased distribution footprint & improved penetration rates
  - Cash NPAT margin at 4.4% expected to stabilise as a result of vertical integration strategy in print services with TOT

Commercial leasing through Original Equip. Manufacturers (OEM) and Vendors

Enterprise Leasing, $m	FY13	FY14	FY14/ FY13
Volume	$113m	$149m	32%
Closing Receivables	$197m	$263m	34%
Cash NPAT[1]	$8.8m	$10.1m	15%

Note
1. Cash NPAT adjustments are detailed in Appendix A

Cash NPAT & Receivables Growth



2014 Results Analysis

David Stevens
Chief Financial Officer

Cash NPAT of $85m delivers market guidance

Receivables growth and acquisition integration benefits underpin Cash NPAT growth of 18%

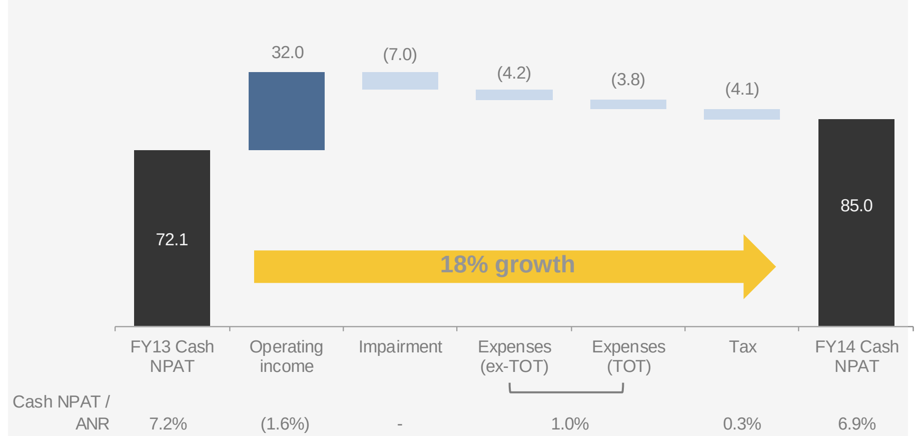
Performance

- Group Cash NPAT at $85m is up 18% on pcp, driven by:
  - +13% growth in receivables and lower funding costs, delivering a $32m increase in operating income on pcp
  - Impairment/ANR has remained flat at 2.7% but larger receivables base equates to increased impairment charge of $7m on pcp
  - Cost to Income ratio has decreased from 40.9% to 40.6% pcp (excluding TOT) through tight control of costs and synergies from acquisitions
  - Additional cost of funds benefit from two large successful securitisations since June 2013

Growth Outlook

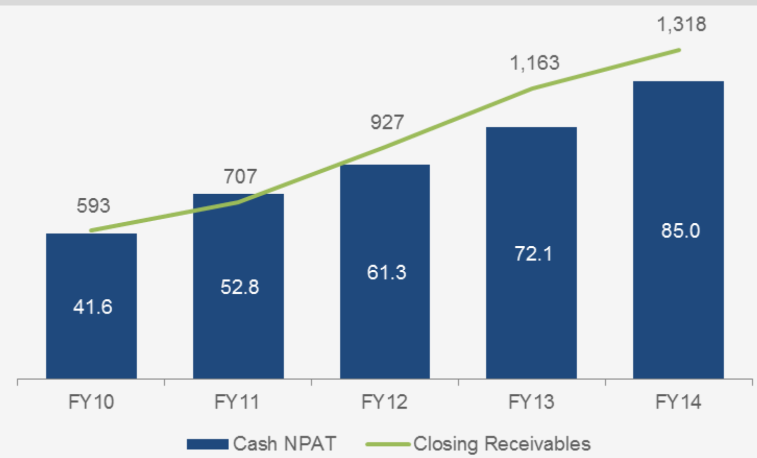
- Diversified funding structure continues to generate benefits through competitive funding costs.
- Focused cost control combined with maximisation of scale efficiencies and acquisition synergies to manage cost to income ratio.
- Impairment levels to remain stable through significant enhancement on collections processes plus focus on growing lower loss segments and maintenance of credit standards.

Cash NPAT Bridge FY13 – FY14 ($m)



Note: Expenses and tax in FY13 and FY14 were normalized to remove impact from one-off adjustments

Consistent Cash NPAT growth – 4 Year CAGR 20%



FLEXIGROUP

Flexigroup will continue to drive focus and scale efficiencies, providing solid and consistent profitability

Focused Growth and Credit Quality

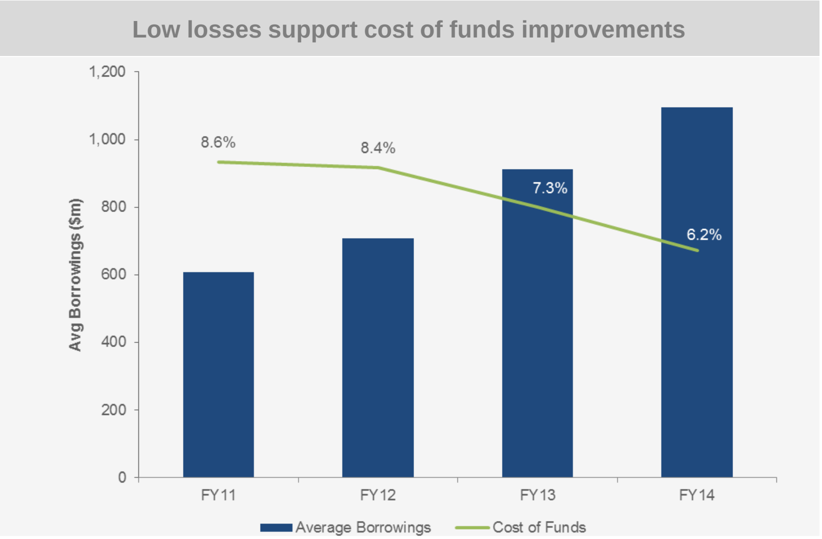
- FXL has focused on growing receivables across large market segments by delivering compelling customer value propositions with Certegy, Interest Free Cards, SME Leasing, Enterprise Leasing and New Zealand
- These growth segments have similar low risk profiles, resulting in lower losses & lower capital requirements

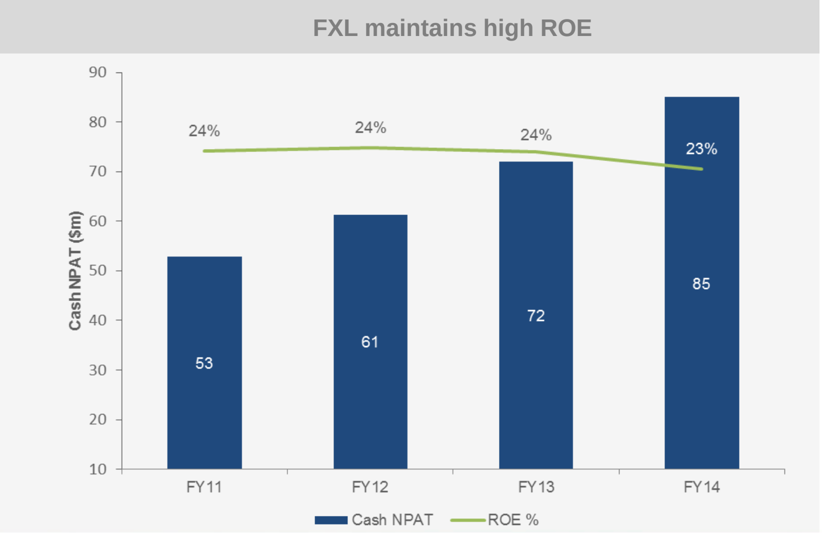
Funding Efficiencies

- FXL's focus on growth in high quality segments has enabled the Group to embrace securitisation and deliver capital efficient funding resulting in a 110bps improvement in cost of funds on pcp

Profitability and Returns

- FXL's growth has been achieved whilst maintaining ROE in excess of 20% (significantly higher than the financial sector average)



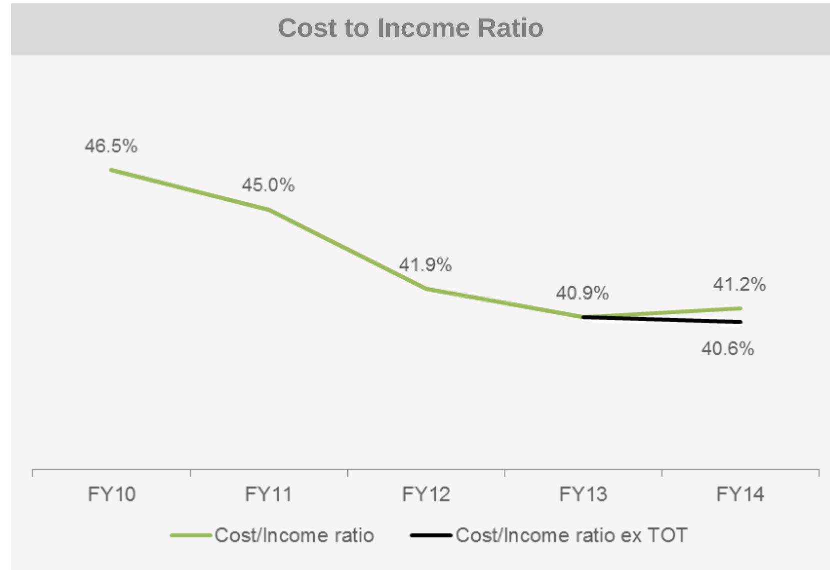


FLEXIGROUP

Cost to Income Ratio continues to improve and will be sustained by capex investment program moving forward

Cost / Income Ratio

- Cost to Income ratio improved to 40.6% from 40.9% pcp (excluding TOT) driven by:
  - Ongoing tight control of costs and scale efficiency benefits
  - Synergies being realised from acquisitions completed
  - Resources are being re-allocated to high growth segments to drive higher levels of productivity and lower Cost / Income ratio
- Think Office Technology employs a different cost structure to leasing businesses hence we have shown the cost to income ratio excluding TOT to ensure accurate trend comparison
- Digital evolution and the move towards Call&Click model across Interest Free Cards, Consumer and SME Leasing and Enterprise to increase customer reach and drive significant productivity and scale benefits over next 24 months



Capital Expenditure

- Investment program is expected to remain within a Capex / Income ratio of 4-6%
- Capex investment will sustain improvement in Cost / Income ratio
- Strategic shift away from in-house developments towards use of commercial software building blocks which reduce total cost of ownership and secure investments longer term through availability of ongoing software upgrades.

FLEXIGROUP

FXL - Impairment Losses
Business diversification continues to underpin strong credit quality

Performance

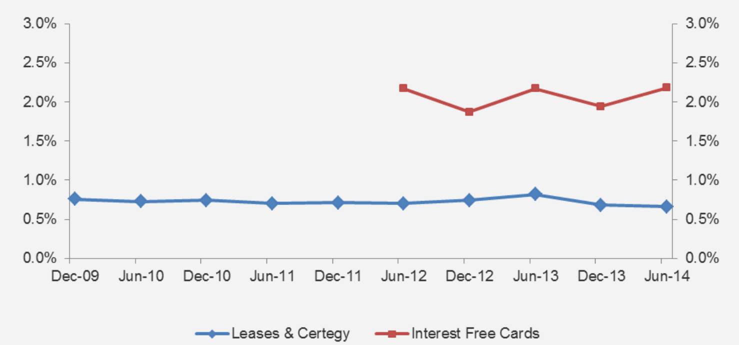
- Net impairment losses remains stable at 2.7% of ANR
- Certegy portfolio remains focused on the lower loss homeowner segment
- Growth in lower risk Commercial receivables supports group impairment performance
- Consistently low loss performance in NZ
- FXL's revolving IFC portfolio continues to demonstrate stable performance with 90+ delinquency between 2.0%-2.5%

Outlook

- FXL will continue to focus on growing low loss segments
- FlexiGroup will continue to drive growth in customer segments it understands in terms of risk, and will not relax its credit underwriting criteria
- Enhanced collections platform being implemented in 1H15 with increased automation and productivity through collections processes

Net Impairment Losses	FY13	FY14	Impairment / ANR %
Consumer & SME Leasing	$12.8m	$12.3m	3.9%
New Zealand Leasing	$0.7m	$0.6m	1.0%
Enterprise Leasing	$1.1m	$2.4m	1.0%
Leases	$14.6m	$15.3m	2.5%
No Interest Ever	$11.5m	$13.5m	3.1%
Net Impairment Losses (like for like)	**$26.1m**	**$28.8m**	**2.8%**
Interest Free Cards	$1.0m	$5.3m	2.7%
Net Impairment Losses	**$27.1m**	**$34.1m**	**2.7%**
Impairment / ANR %	**2.7%**	**2.7%**	

FlexiGroup 90+ Delinquency



Note:
Consumer & SME Leasing, NZ Leasing and No Interest Ever's write off policy is after 120 days. Enterprise and IF Cards' is after 180 days

FXL - Cash Flow

Strong operating cash flow and M&A support investment into receivables growth

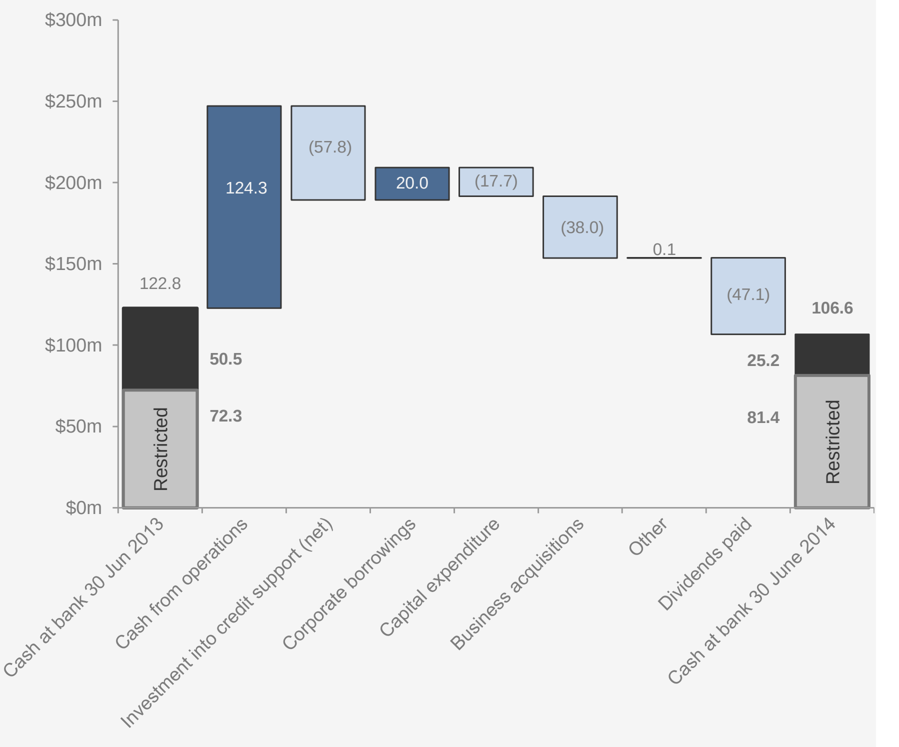
Performance

- Cash at bank was $106.6m as at 30 June 2014
- Impressive operating cash flow generation capabilities of the business allow FXL to reinvest funds into receivables growth and increase final dividend by 1 cent per share
- Increased capital expenditure to upgrade IT platforms and support continuing diversification of the business

Outlook

- Dividend payout forecast to remain at 50-60% of Cash NPAT
- Our M&A Strategy is working: Three acquisitions (RentSmart, Think Office Technology and Equico NZ) resulted in the cash outflow of only $38m, net of acquired cash balances
- RentSmart had $13.7m of cash with majority of balances restricted in legacy funding facilities at the time of acquisition and subsequently released upon refinancing
- Think Office Technology outstanding payments are structured over a period of 3 years with a final payment subject to earn-out
- Investment into receivables and unrated notes in securitisation vehicles to support portfolio growth
- New $100m corporate debt facility obtained in January 2014 ($45m drawn at 30 June 2014), to provide flexible funding for organic and non-organic growth

Cash Flow Bridge FY14 ($m)



Note:
1. Restricted cash represents balances on collection accounts, which are held as part of the Group's funding arrangements and are not available to the Group as at reporting date

FLEXIGROUP

FXL - Balance Sheet
Appropriate gearing maintained as balance sheet continues to grow

Performance

- FXL remains appropriately geared with recourse Debt/Equity at 20% whilst maintaining balance sheet flexibility via $55m available undrawn limit in the corporate facility
- SPV borrowings are non-recourse to FXL
- Borrowings are matched to contract term and interest rates are fixed to match fixed income products
- No bullet repayments on receivables funding

Outlook

- 84% of total borrowings are fixed to contract term, which provides protection against underlying movements in base rates
- FXL's remaining borrowings predominantly relate to Interest Free Cards and corporate facility which are funded off a floating rate. FXL has the ability to vary the customer margins to match any underlying change in official interest rates
- FXL's strategy of diversifying funding sources has resulted in a step-change reduction in FXL's funding costs

Summarised Balance Sheet	Jun-13 FlexiGroup excl. SPV's	Jun-13 FlexiGroup incl. SPV's	Jun-14 FlexiGroup excl. SPV's	Jun-14 FlexiGroup incl. SPV's
Cash at bank (unrestricted)	50.5	50.5	25.2	25.2
Cash at bank (restricted)	72.3	72.3	81.4	81.4
Receivables	86.0	1,144.7	91.9	1,299.7
Investment in unrated notes in securitisation vehicles	93.4	-	120.2	-
Other assets	65.1	65.1	68.5	68.5
Goodwill and intangibles	122.5	122.5	161.8	161.8
Total Assets	**489.8**	**1,455.1**	**549.0**	**1,636.6**
Borrowings	25.0	1,033.4	45.0	1,158.8
Cash loss reserve available to funders	-	(43.1)	-	(26.2)
Other liabilities	100.2	100.2	119.1	119.1
Total Liabilities	**125.2**	**1,090.5**	**164.1**	**1,251.7**
Total Equity	**364.6**	**364.6**	**384.9**	**384.9**
Gearing	**10%**	n/a	**20%**	n/a
ROE	**24%**	n/a	**23%**	n/a

Notes:

1. Gearing = Recourse borrowings as a percentage of FlexiGroup equity adjusted for intangibles
2. Non-recourse borrowings are secured against FXL's lease and interest free receivables and cash security in Special Purpose Entities (SPV's)

FLEXIGROUP

FXL - Funding

Committed support from banks and institutions, diverse funding sources

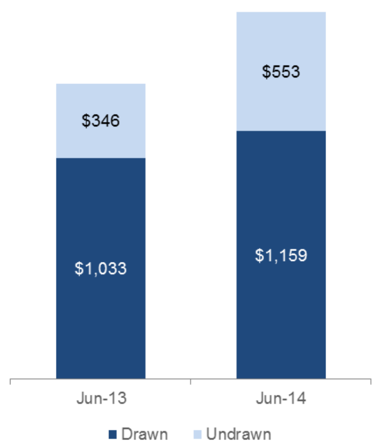
Performance

- FlexiGroup continues to maintain a conservative funding strategy, underpinned by multiple committed debt facilities, matched term and rate structures for wholesale debt and an active debt capital markets presence
  - Strong stable relationships with 6 Australian institutions providing revolving committed facilities
  - Two ABS issuance completed in FY14, totalling $525m, placed to Australian and international investors
  - Replacement of RentSmart funding following acquisition, with materially lower cost of funds and cash release achieved
  - Completion of a 3 year $100m revolving corporate debt facility with 3 institutions participating
  - Material reduction in cost of funds driven by both falling weighted average base swap rates and decreased bank credit margins

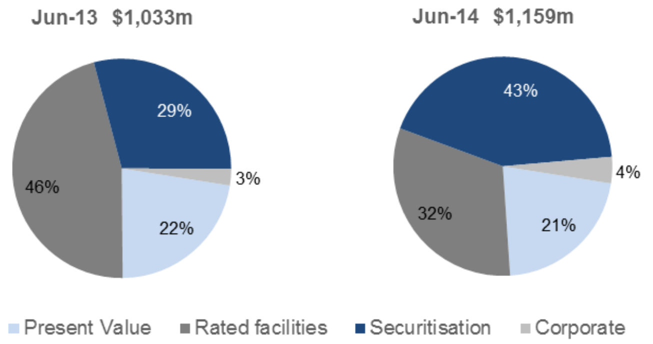
Outlook

- FXL has substantial unused committed revolving facilities to fund growth in the foreseeable future, even without securitisation of receivables
- Despite this, FXL will continue to securitise through its ABS program to
  - Decrease cost of funds
  - Improve capital efficiency
  - Maintain diversification of funding sources

Funding Facilities ($m)



Diversified Funding Sources



Strategy and Outlook

Tarek Robbiati
Chief Executive Officer

Customer needs are unaltered – behaviour is radically changing

CUSTOMER FINANCE NEEDS

Customers want …

Spend	Borrow	Value for money	Protect
			

in a …

 secure environment 

and with …

 fast credit approvals, convenient access 

Basic customer needs remain unaltered by digitalisation

FUTURE CUSTOMER BEHAVIOUR

Customers will …

- …use more channels simultaneously without differentiation (omni-channel)
- …use digital channels more intensively
- …use digital channels to enforce behaviour patterns along customer journey and across channels:

Co-creation	Network building	Personal-isation
		

Customer behaviour is changing along the entire customer journey

FXL is ideally positioned to become a digital finance leader

Mission, Vision and Ambition

Our Mission – *this is our reason for being (our purpose):* *We find new and ever-better ways to financially connect businesses and consumers to the things they need and the things they dream of*

Our Vision – *this is where we want to go:* *To have "Flexi" become the empowering verb that people use when talking about acquiring a significant item*

Our Ambition - *how we'll measure success:*

ROE ~20% | From ASX200 to ASX100 company | Highest ranking NPS in Aust. FS industry | Employer of choice | Partner of choice

Where to play

Consumer Finance

- We offer a range of financing solutions for consumer and SMEs at **point-of-sale in-store and online**
- We offer services that complement our consumer products, such as mobile broadband with tablets **plans with leases**

Business Finance

- We provide **standardised and bespoke financing solutions** for a range of assets, offering finance and operating leases (including residual value options) and service solutions
- Our partners can use our **digital platform** for originations and self-service

International

- We may acquire or joint-venture businesses overseas where we can **win in our core**
- We will first look to buy assets overseas where there is a similar regulatory environment, rule of law and credit bureau
- Our **development of NZ is through our core business lines** such as Enterprise and Certegy and where appropriate through acquisition

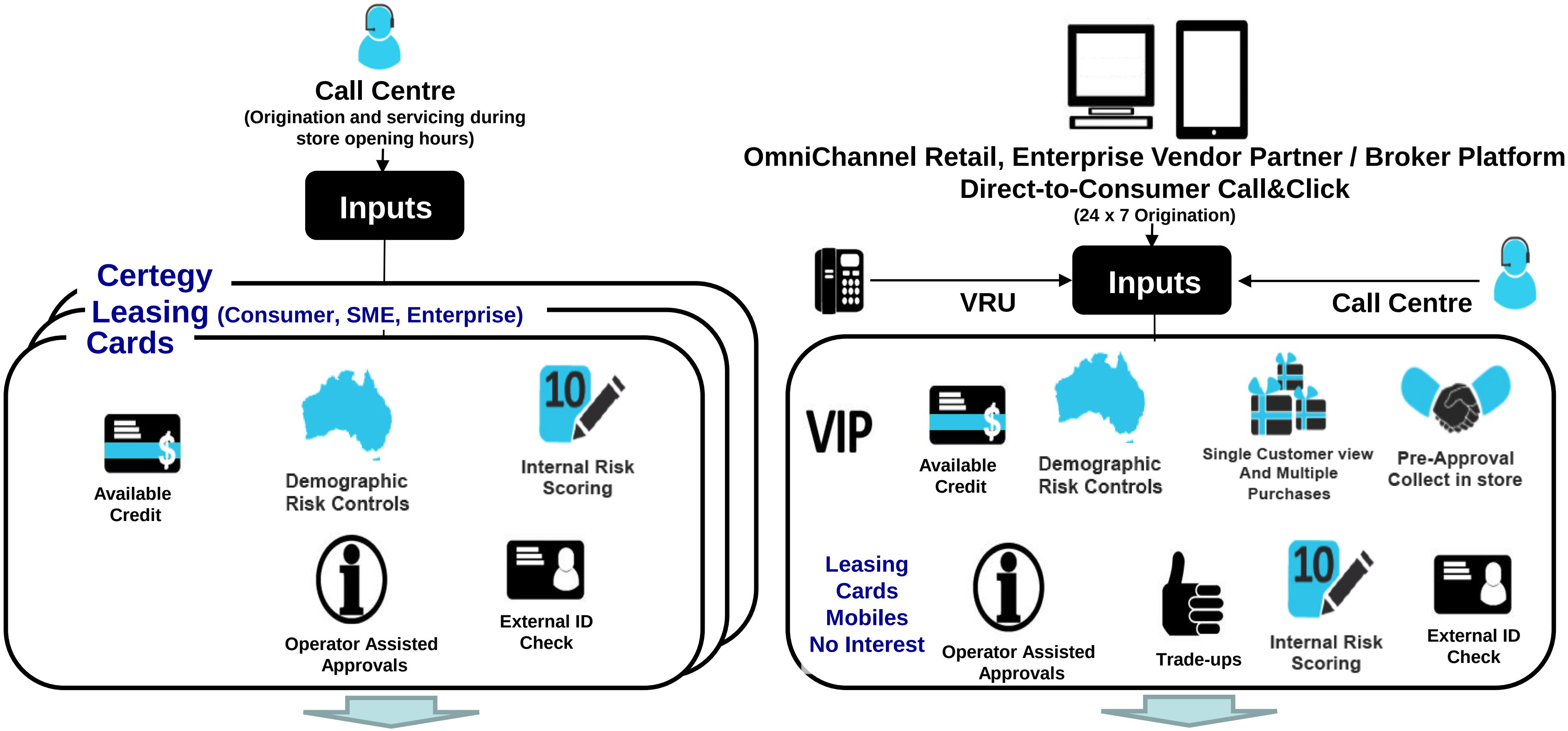
How to win

Reinforce core				Next generation, expand and grow		
Funding	**Talent**	**IT**	**Legal & Regulatory**	**Digital**	**Credit Risk Mgmt**	**M&A**
• Maintain conservative funding approach	• Install talent management processes	• Upgrade core systems to drive further efficiencies and support growth	• Regulatory compliance • Commercial structuring	• Develop omnichannel experience across all products	• Maintain industry leading credit assessment process	• Access new or adjacent customers through acquisition

We are integrating our businesses to provide a full suite of finance solutions to our customers and channel partners

From Product-centric Call-Centre Based Finance Provider to…

… Integrated Full-Service Provider of Finance Solutions with multiple originating and servicing options



Back-office efficiencies from offshoring

Back-office efficiencies from offshoring combined with improved productivity and customer reach in Australia

Repeat business as proof point of digital finance opportunity

Certegy example

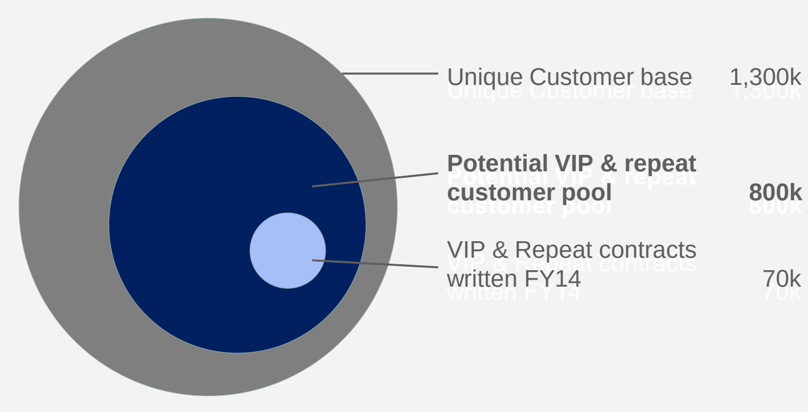
Certegy VIP and repeat business pool opportunity

- Total unique customer pool of 1.3m customers
- Of those, 800k are VIP and pre-approved repeat customers
- In FY14, 70k (8.7%) of the VIP and repeat customer pool entered a new contract
- The 70k VIP and repeat customers make up 37% of total new contracts written
- Since FY11, the VIP and repeat customers have made up an increasing share of new contracts written from 26% in FY11 to 37% in FY14

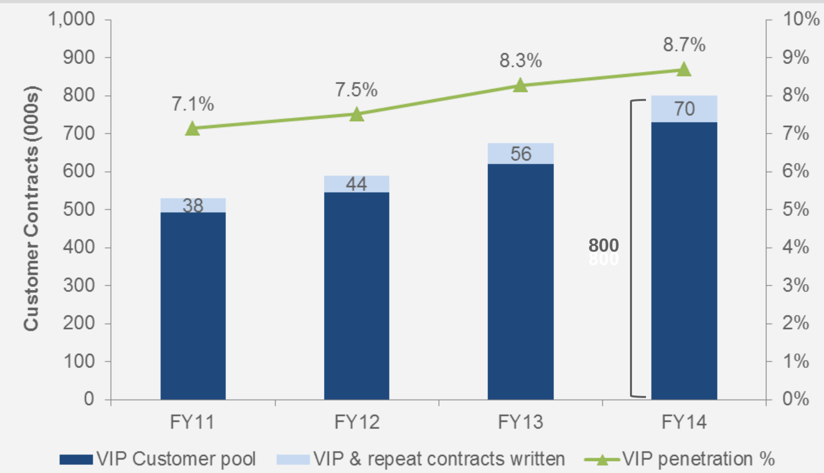
Repeat Customer Opportunity

- Ongoing efforts to maximise penetration into the VIP and repeat customer pool have proven successful with penetration increasing from 7.1% in FY11 to 8.7% in FY14
- Improved penetration has been achieved through direct marketing & tailored promotional campaigns including joint initiatives with major partners which enhance value of VIP offer
- Enhancements also made to customer self service tools including dedicated VIP helpline, online portal and highly functional app
- This growth is underpinned by the No Interest Ever! products continuing to deliver high customer satisfaction and engagement levels with an ongoing Net Promoter Score of +40

VIP customer pool as at June 2014



VIP customer pool growth and penetration



FLEXIGROUP

Outlook

Mid single-digit growth in FY15 with expected return to higher growth in FY16

Drivers of FY15 Cash NPAT Growth

FXL Cash NPAT is expected to be $90m-$91m (with 1H/2H split expected to be broadly in line with historical results), driven by:

- Continued solid performance from **Certegy** through enhancements to VIP customer program, increased penetration within existing retails partners and targeted expansion into new product categories
- Completion of integrated **Once and Lombard** IT platform in addition to enhanced customer value proposition on cards offering in order to drive portfolio utilisation and returns
- Refreshed product offerings (including Telco bundle and transition to Call and Click model) across existing and acquired retail partners in **Consumer & SME Leasing** to deliver volume uplift going forward in addition to full year benefit of RentSmart acquisition
- Strong volume growth in **New Zealand Leasing** primarily targeting the low-risk SME sector, in addition to focusing on the education sector through leveraging the acquisition of Equico
- Scale up of the **Enterprise Leasing** business by leveraging the digital originations platform rolled-out in FY14 and significant new product innovation
- Investment in core IT Systems to support future business growth

FLEXIGROUP

Appendices

Appendix A: Cash NPAT Reconciliation

Reconciliation	Consumer & SME	NZ Leasing	No Interest Ever	Enterprise Leasing	Interest Free Cards	Unallocated	Group FY14	FY15F[4]
Cash NPAT	**26.0**	**5.6**	**32.3**	**10.1**	**11.0**		**85.0**	**90.5**
One-off adjustments:								
Integration costs - Interest Free Cards (Lombard/Once Credit)[1]					3.5		3.5	
Integration costs - Rentsmart[2]	2.9						2.9	
Deal, advisory and strategy costs	4.3	0.1					4.4	
	7.2	0.1	0.0	0.0	3.5		10.8	
One-off non-cash adjustments:								
Impairment of capitalised legacy systems software	7.3						7.3	
Impairment of Paymate goodwill	1.9						1.9	
Cancellation of CEO and Executive LTI plan						5.2	5.2	
	9.2	0.0	0.0	0.0	0.0	5.2	14.4	
Recurring non-cash adjustments:								
Amortisation of acquired intangibles	0.3		0.3	0.2	1.4		2.2	**3.5**
Statutory Net Profit After Tax	**9.3**	**5.5**	**32.0**	**9.9**	**6.1**	**(5.2)**	**57.6**	**87.0**

Notes:

1. *One off integration costs of $3.5m (post tax), as advised to the market on 6 May 2013*
2. *One off integration costs of $3-$4m pre tax ($2.1-$2.8m post tax), as advised to the market on 12 December 2013*
3. *No in year benefit has been taken from one off non cash adjustments*
4. *Based on midpoint of FY15 Cash NPAT guidance range*
5. *FY14 dividend payout range of 50-60% will be based off Cash NPAT, therefore adjustments do not impact dividends*
6. *FY15 Cash NPAT adjustments subject to any M&A activity in FY15*

Appendix B: Detailed Statutory Income Statement

A$ MILLION	FY13	FY14
Total portfolio income	284.2	316.6
Interest expense	(67.1)	(67.5)
Operating income (before impairment)	**217.1**	**249.1**
Impairment losses	(27.1)	(34.1)
Operating income (after impairment)	190.0	215.0
Payroll and related expenses	(57.4)	(66.1)
Depreciation and amortisation	(9.4)	(10.0)
Impairment of goodwill and software	-	(12.5)
Other expenses	(28.1)	(41.4)
Total Expenses	**(94.9)**	**(130.0)**
Net Profit Before Tax	**95.1**	**85.0**
Tax expense	(29.2)	(27.4)
Statutory Net Profit After Tax	**65.9**	**57.6**
Amortisation of acquired intangibles	1.7	2.2
Integration costs - Interest Free Cards (Lombard/Once Credit)	-	3.5
Integration costs - Rentsmart	-	2.9
Deal, advisory and strategy costs	4.5	4.4
Impairment of capitalised legacy systems software	-	7.3
Impairment of Paymate goodwill	-	1.9
Cancellation of CEO and Executive LTI plan	-	5.2
Cash Net Profit After Tax	**72.1**	**85.0**

FLEXIGROUP

Appendix C: Detailed Statutory Balance Sheet

A$ MILLION	Jun-13	Jun-14	Excluding SPV's Jun-13	Excluding SPV's Jun-14
Assets				
Cash at bank	122.8	106.6	122.8	106.6
Loans and receivables	1,163.0	1,318.5	197.7	230.9
Allowance for losses	(18.3)	(18.8)	(18.3)	(18.8)
Net receivables	1,144.7	1,299.7	179.4	212.1
Other receivables	48.0	47.4	48.0	47.4
Rental equipment	0.5	0.6	0.5	0.6
Inventory	-	2.3	-	2.3
Plant and equipment	4.3	6.1	4.3	6.1
Deferred tax assets	12.3	12.1	12.3	12.1
Goodwill	100.9	134.1	100.9	134.1
Other Intangible Assets	21.6	27.7	21.6	27.7
Total Assets	**1,455.1**	**1,636.6**	**489.8**	**549.0**
Liabilities				
Borrowings	1,033.4	1,158.8	25.0	45.0
Loss Reserve	(43.1)	(26.2)	-	-
Net Borrowings	990.3	1,132.6	25.0	45.0
Payables	35.9	44.5	35.9	44.5
Current tax liability	12.2	9.0	12.2	9.0
Provisions	4.5	5.5	4.5	5.5
Derivative financial instruments	3.9	3.7	3.9	3.7
Contingent and deferred consideration	-	8.7	-	8.7
Deferred tax liabilities	43.7	47.7	43.7	47.7
Total Liabilities	**1,090.5**	**1,251.7**	**125.2**	**164.1**
Net Assets	**364.6**	**384.9**	**364.6**	**384.9**
Equity				
Contributed equity	153.1	161.1	153.1	161.1
Reserves	0.6	2.4	0.6	2.4
Retained Profits	210.9	221.4	210.9	221.4
Total Equity	**364.6**	**384.9**	**364.6**	**384.9**

Appendix D: Detailed Statutory Cash Flows

A$ MILLION	FY13	FY14
Cash flows from operating activities		
Interest received	184.7	221.3
Fees and other non-interest income received	99.4	101.4
Payment to suppliers and employees	(95.4)	(100.3)
Borrowing costs	(66.6)	(69.1)
Taxation paid	(25.3)	(29.0)
Net cash inflows provided from operating activities	**96.8**	**124.3**
Cash flows from investing activities		
Payment for acquisition of plant and equipment and software	(6.3)	(17.7)
Payment for business acquisitions	(35.0)	(38.0)
Loans to related parties	-	(0.8)
Net increase in:		
Customer loans	(99.4)	(70.9)
Receivables due from customers	(47.4)	(63.0)
Net cash outflows from investing activities	**(188.1)**	**(190.4)**
Cash flows from financing activities		
Dividends paid	(38.8)	(47.1)
Proceeds from equity raising	53.5	-
Proceeds from issue of shares on vesting of share options	3.7	-
Increase in borrowings	140.2	78.6
(Increase)/decrease in loss reserves on borrowings	(8.4)	17.5
Net cash inflows from financing activities	**150.2**	**49.0**
Net increase/ (decrease) in cash and cash equivalents	**58.9**	**(17.1)**
Cash and cash equivalents at the beginning of the year	**63.2**	**122.8**
Effects of exchange rates changes on cash and cash equivalents	**0.7**	**0.9**
Cash and cash equivalents at the end of the year	**122.8**	**106.6**

Appendix E: Restatement of business segments

New reporting segments AUD	Volume		Closing Receivables		Cash NPAT	
	FY13	FY14	FY13	FY14	FY13	FY14
No Interest Ever	$490m	$507m	$422m	$453m	$27.5m	$32.3m
Consumer & SME Leasing - Australia	$187m	$189m	$306m	$326m	$28.8m	$26.0m
New Zealand Leasing	$29m	$38m	$52m	$66m	$4.3m	$5.6m
Enterprise Leasing	$113m	$149m	$197m	$263m	$8.8m	$10.1m
Interest Free Cards	$88m	$200m	$186m	$210m	$2.7m	$11.0m
Total	$907m	$1,083m	$1,163m	$1,318m	$72.1m	$85.0m

Previous reporting segments AUD	Volume		Closing Receivables		Cash NPAT	
	FY13	FY14	FY13	FY14	FY13	FY14
No Interest Ever (Certegy)	$490m	$507m	$422m	$453m	$27.5m	$32.3m
Consumer & SME (Small Ticket Leasing)	$216m	$227m	$358m	$392m	$33.1m	$31.6m
Enterprise	$113m	$149m	$197m	$263m	$8.8m	$10.1m
Interest Free Cards	$88m	$200m	$186m	$210m	$2.7m	$11.0m
Total	$907m	$1,083m	$1,163m	$1,318m	$72.1m	$85.0m

Appendix F: FXL - Overview

FlexiGroup is a diversified financial services group providing point of sale interest free, no interest ever, leasing, vendor programs, interest free cards and other payment solutions to consumers and businesses

Background

- Founded in 1988 leasing office equipment to business
- Leading provider of consumer/small business retail point-of-sale finance
- Diversified products include: interest free cards, no interest ever, vendor finance /commercial leasing, mobile broadband, online & mobile payment services

Market

- IPO in 2006
- ASX200 stock with market cap of approximately A$1.2bn

Distribution platform

- 700,000 finance customers, ~12,000 active retailers, $1.3bn in receivables
- Distribution network across multiple industries, including relationships with:
  - JB Hi-Fi, Dick Smith, Harvey Norman, Apple resellers, IKEA, Husqvarna, M2 Commander, AGL Solar, Noel Leeming, King Furniture, Fantastic Group and Officeworks

High performance culture

- Talented management team with capability to manage much larger organisation
- Australia and New Zealand Best Employers — AON Hewitt
- Australia's Best Contact (Call) Centre — ATA Award
- International IT Award — ICMG Architecture Excellence

Balance sheet

- Well capitalised balance sheet with further capacity – return on equity 23%
- Highly diversified funding with committed facilities from Australian and International institutions to support growth

Solid risk profile

- eRisc award winning credit assessment system
- 20 years experience in consumer & business credit embedded in scoring systems

Acquisitions

- Management with significant acquisition experience, have successfully acquired:
  - Rentsmart ANZ in January 2014
  - Once Credit Interest Free and Visa card business in May 2013
  - Lombard Finance Interest Free and Visa card business in June 2012
  - Certegy acquisition in 2008 now represents 34% of FXL receivables
- Conservative approach to acquisitions - target accretive, high volume businesses

30 Jun YE (A$m)		FY11	FY12	FY13	FY14
Receivables		**707**	**927**	**1,163**	**1,318**
	growth	*19%*	*31%*	*25%*	*13%*
Portfolio Income		**223**	**246**	**284**	**317**
	growth	9%	10%	15%	11%
Volume		**695**	**779**	**907**	**1,083**
	growth	*27%*	*12%*	*16%*	*19%*
Cash NPAT		**53**	**61**	**72**	**85**
	growth	*26%*	*15%*	*18%*	*18%*
Cash NPAT/ANR		**8.5%**	**7.7%**	**7.2%**	**6.9%**
	change	*0.8%*	*-0.8%*	*-0.5%*	*-0.3%*
Dividends, cents per share		**10.5**	**12.5**	**14.5**	**16.5**
	growth	5%	19%	16%	14%

Appendix G: FXL - Overview

FLEXIGROUP

No Interest Ever

certegy ezi-pay

- Trading since 1989, acquired Oct 2008
- Interest free & cheque guarantee products offered in diverse industries
- Increases sales volumes for retailers
- No interest (ever) payable by the customer

Key metrics

- $453 million receivables
- 27 month average term

Retail & homeowner "No Interest Ever"

Interest Free Cards

Lombard Once

- Trading since 2002, acquired June 2012
- Interest free point of sale card finance company
- Retail partners are offered interest free product and customers are cross sold a Visa card
- Visa card subsequently used for everyday retail purchases
- Once Credit acquired on May 2013

Key metrics

- $210 million receivables
- 18 month average term

Retail point-of-sale Interest Free Cards

Consumer & SME Leasing

FLEXI RENT SMARTWAY

- Flexirent trading since 1988, IPO Dec 2006
- Lease and mobile broadband offered
- Customers get loaner, protect & affordable monthly payments
- Online & mobile payment solutions via Paymate
- RentSmart acquired Jan 2014. Expands distribution to include JB Hi-Fi, Dick Smith and Officeworks

Key metrics

- $326 million receivables
- 36 month average term

Retail / SME / On line point-of-sale Lease, Mobile Broadband & mobile payment solutions

New Zealand Leasing

FLEXIRENT equico Funding Technology

- Flexirent NZ office opened 1997
- Computer leasing mainly in the commercial / business use sector
- Preserves margin for the retailer / merchant
- Equico acquisition in Mar 2014 – expands distribution to education and government sectors

Key metrics

- $66 million receivables
- 35 month average term

Leasing solutions for business and point-of-sale retail

Enterprise Leasing

FLEXI ENTERPRISE THINK OFFICE TECHNOLOGY

- Recruited an experienced OEM / Vendor leasing team in Nov 2009
- Increase sales volumes for OEMs / Vendors
- Affordable, tax deductible means for customers to acquire and manage assets
- Acquired Think Office Technology in Mar 2014 – a specialist in managed print, IT and office solutions

Key metrics

- $263 million receivables
- 50 month average term

OEM & vendor lease to Enterprise accounts